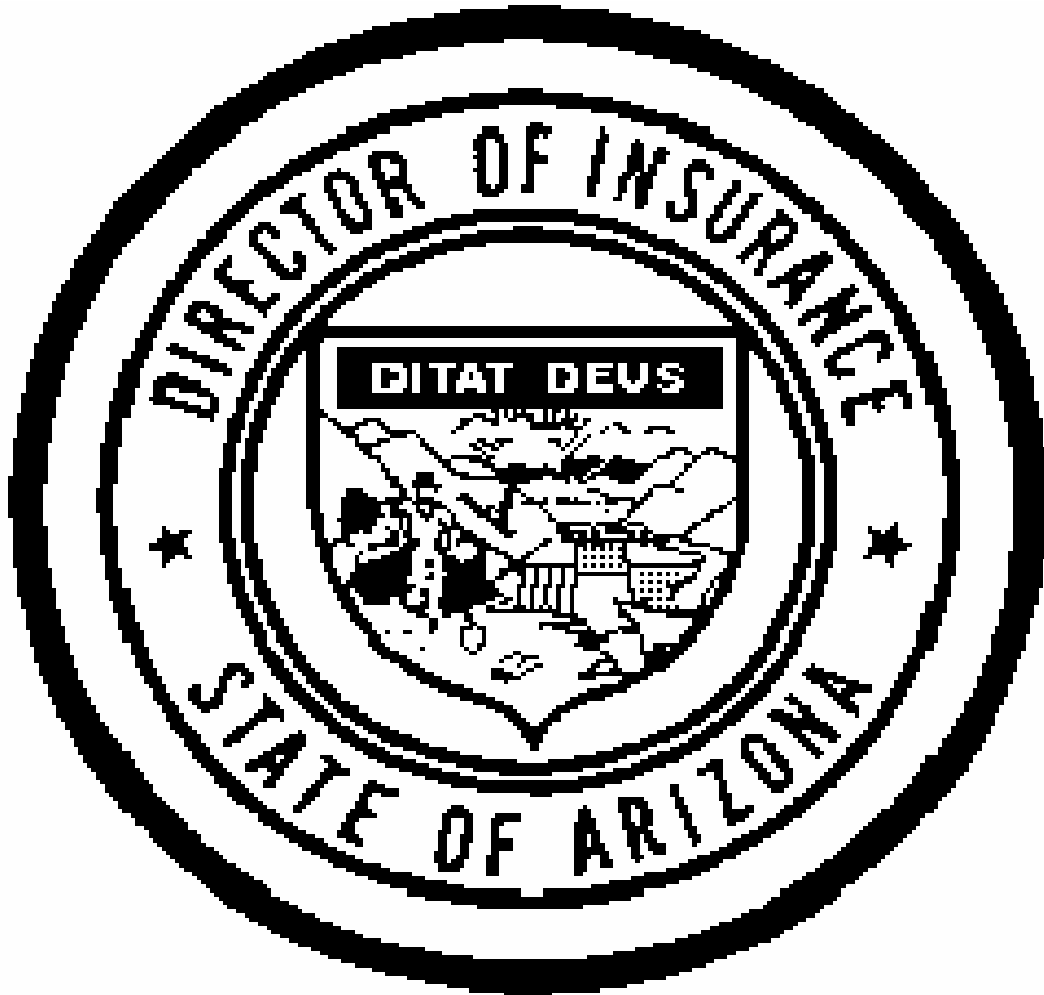


ARIZONA CAPTIVE INSURANCE COMPANY



ANNUAL REPORT

Name of Captive

For Period Ending

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**ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____**

Arizona Company Number _____

Organized under the laws of the State of: Arizona
Incorporated (Date): _____
Commenced Business (Date): _____
Annual Report Contact Person: _____
Address and Phone Number of Contact Person: _____
E-Mail Address: _____

President _____ Vice President _____
Secretary _____ Treasurer _____

DIRECTORS*

State of _____
County of _____

The officers of _____ being duly sworn, each for himself deposes and says that they are the above described officers of the said insurer, and that on the last day of the period presented, all of the herein described assets were the absolute property of the said insurer, free and clear from any liens or claims thereon, except as stated, and that this annual report, together with related exhibits, schedules, and explanations therein contained, annexed or referred to are a full and true statement of all the assets and liabilities and of the condition and affairs of the said insurer as of the date presented, and of its income and deductions therefrom for the year ended on that date, according to the best of their information, knowledge and belief, respectively.

Signature

Signature

President (Print Name)

Secretary (Print Name)

Treasurer**(Print Name)

Other Executive Officer (Print Name)

Signature

Signature

Subscribed and
sworn to before me this _____ Day of _____, 20 _____

*Show full name and indicate by number sign (#) those officers and directors who did not occupy the indicated position in the previous annual report.

**Or corresponding person having charge of the accounts of the insurer.

BALANCE SHEET

ASSETS

	Fiscal Year Ending:		
		Current	Prior
1. Bonds			
2. Stocks			
3. Cash			
4. Savings and Certificate of Deposit			
5. Other Invested Assets: a)			
b)			
6. Investment Income Due and Accrued			
7. Accounts and Premiums Receivable			
8. Investments In And Advances to Affiliates			
9. Reinsurance Recoverable on Unpaid Losses & LAE			
10. Reinsurance Recoverable on Paid Losses & LAE			
11. Funds Held by Ceding Reinsurers			
12. Prepaid Reinsurance Premiums			
13. Deposits With Reinsurer			
14. Letters of Credit			
15. Other Assets: a)			
b)			
c)			
16. Total Assets			

LIABILITIES, CAPITAL AND SURPLUS

Fiscal Year Ending:			
		Current	Prior
17. Losses			
18. Loss Adjustment Expenses			
19. Reinsurance Payable on Paid Losses & LAE			
20. Deposits Held Pursuant to Insurance Contracts			
21. Commissions, Expenses and Fees			
22. Taxes Payable			
23. Unearned Premium			
24. Reinsurance Balance Payable			
25. Loans and Notes Payable			
26. Amounts Due to Affiliates			
27. Funds Held Under Reinsurance Contracts			
28. Dividends Payable			
29. Other Liabilities:	a)		
	b)		
	c)		
30. Total Liabilities			
31. Capital and Surplus:	a) Paid in Capital (Par Value)		
	b) Contributed Surplus		
	c) Unrealized Gain (Loss) on Investments		
	d)		
32. Surplus (Accumulated Earnings)			
33. Total Capital and Surplus			
34. Total			

STATEMENT OF INCOME

Fiscal Year Ending:			
<u>Underwriting Income</u>		Current	Prior
1.	Net Premiums Written (page 7, column 6)		
2.	Net (Increase) Decrease in Unearned Premiums		
3.	Net Premiums Earned (lines 1 and 2)		
4.	Other Insurance Income		
5.	Total Income (lines 3 and 4)		
<u>Underwriting Expenses</u>			
6.	Net Losses Incurred		
7.	Net Loss Adjustment Expenses Incurred		
8.	Commissions and Brokerage		
9.	General and Administrative		
10.	Other Underwriting Expenses		
11.	Total Underwriting Expenses (lines 6 through 10)		
12.	Underwriting Profit (Loss) (line 5 minus line 11)		
13.	Investment Income – Net		
14.	Other Income		
15.	Other Expenses		
16.	Income Before Dividends and Taxes (lines 12 through 15)		
17.	Dividends to Policyholders		
18.	Taxes		
19.	Net Income (line 16 minus lines 17 and 18)		

CAPITAL AND SURPLUS ACCOUNT

		Fiscal Year Ending:	
		Current	Prior
20. Capital & Surplus, end of previous year			
21. Net Income			
22. Net Unrealized Capital Gains or Losses (including equity income (loss) on subsidiaries)			
23. Capital Changes:	a) Paid in		
	b) Transferred from Surplus (Stock Dividend)		
	c) Transferred to Surplus		
24. Surplus Adjustments:	a) Paid in		
	b) Transferred to Capital (Stock Dividend)		
	c) Transferred from Capital		
25. Dividends to Stockholders			
26. Extraordinary Taxes for prior years			
27. Other:	a)		
	b)		
	c)		
	d)		
28. Capital & Surplus, end of current year (page 3, line 33)			

QUESTIONNAIRE

1. Name of the individual, company, corporation or association who owns or controls the captive insurance company.

CAPITAL STOCK OF CAPTIVE

Class	Number Shares Authorized	Number Shared Outstanding	Par Value
Preferred			
Common			

2. Name and address of manager (incl. firm name): _____

3. Name and address of actuary (incl. firm name): _____

4. Name and address of independent CPA (incl. firm name): _____

5. Name and address of resident statutory agent: _____

6. Have all transactions of the captive of which notice was received at the home office on or before the close of business on the date shown been truthfully and accurately entered on its books? _____
7. Largest "net" amount insured in any one risk: Per occurrence: _____ Aggregate: _____
8. Has the "net" aggregate increased over last year? _____ If yes, by what amount? _____
9. Do all members of the industry group meet the requirements as stated in Section 20-1098.9.a.b.c. of Arizona Revised Statutes? Not applicable to calendar year 2002. _____
10. Have any changes been made during the year of this Statement in the charter, by-laws or organizational documents? _____
11. Have all assets been valued in accordance with GAAP or SAP as applicable? _____

12. Has the Company adopted a yearly conflict of interest procedure for officers, directors and the key employees? _____
If no, please explain: _____

13. Has the Company changed its Business Plan during the year? If yes, attach revised Business Plan. _____
14. Were any of the assets of the Company pledged as collateral at any time during the year? _____
If yes, attach a description of the transactions as a supplement to this filing. _____
15. Is the Company writing direct or assuming controlled unaffiliated business? _____
16. If the answer to 15 above is yes, what is the percentage to the total business direct written and assumed? _____

FOR THE PERIOD ENDING

PREMIUM SCHEDULE

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

REINSURANCE			
CEDED AS OF :			
Name, State and NAIC # of Reinsurer*	Reinsurance Recoverable on Paid & Unpaid Losses & LAE	Premium Ceded	Unearned Premiums
Affiliates:			
Non-Affiliates:			
Total			

(Pg.2,L.9+10)

(Pg.7,C.4-5)

(Pg. 2,L.12)

*Authorized companies or unauthorized companies with the Commissioner's prior approval

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
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COMPANY NAME _____

REINSURANCE

ASSUMED AS OF:

REINSURANCE			
ASSUMED AS OF:			
Name, State and NAIC # of Reinsurer*	Reinsurance Payable on Paid & Unpaid Losses & LAE	Premium Assumed	Unearned Premiums
Affiliates:			
Non-Affiliates:			
Total			

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

(Pg.7,Col.2)

*NAIC # not applicable

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ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

UNPAID LOSSES & LAE

<u>UNPAID LOSSES:</u>	(1)	(2)	(3)	(4)	(5)
Line of Business	Case Basis Direct and Assumed	Case Basis Reinsurance Recoverable	IBNR Direct and Assumed	IBNR Reinsurance Recoverable	Net Losses Unpaid (1-2+3-4)
1. Automobile Liability					
2. General & Product Liability					
3. Professional Liability					
4. Other Liability					
5. Worker's Compensation					
6. All Other Lines					
Totals					

(Columns 1+3=Pg.3,L. 17)

(Page 11, Col.5)

<u>UNPAID LAE:</u>	(6)	(7)	(8)	(9)	(10)	
Line of Business	Case Basis Direct and Assumed	Case Basis Reinsurance Recoverable	IBNR Direct and Assumed	IBNR Reinsurance Recoverable	Net LAE Unpaid (6-7+8-9)	% of Column 10 to 5
1. Automobile Liability						
2. General & Product Liability						
3. Professional Liability						
4. Other Liability						
5. Worker's Compensation						
6. All Other Lines						
Totals						

(Columns 6+8=Pg.3,L.18)

(Columns 2 +4 +7 + 9 = Pg.2,L.9)

(Page 11, Col. 13)

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

LOSSES & LAE PAID AND INCURRED
Current Year

<u>LOSSES:</u> Lines of Business	Losses Paid Less Salvage				(5)	(6)	(7)	(8)
	(1) Direct Business	(2) Reinsurance Assumed	(3) Reinsurance Recovered	(4) Net Payable 1+2-3	Net Losses Unpaid Current Year	Net Losses Unpaid Prior Year	Net Losses Incurred (4+5-6)	Ratio of Losses Incurred to Premiums Earned
1. Automobile Liability								
2. General & Product Liability								
3. Professional Liability								
4. Other Liability								
5. Worker's Compensation								
6. All Other Lines								
Totals								

(Page 10, Col. 5)

(Page 4, Line 6)

<u>LAE:</u> Lines of Business	LAE Paid Less Salvage				(13)	(14)	(15)	(16)
	(9) Direct Business	(10) Reinsurance Assumed	(11) Reinsurance Recovered	(12) Net Payments 9+10-11	Net LAE Unpaid Current Year	Net LAE Unpaid Prior Year	Net LAE Incurred (12+13-14)	Ratio of LAE Incurred to Premiums Earned
7. Automobile Liability								
8. General & Product Liability								
9. Professional Liability								
10. Other Liability								
11. Worker's Compensation								
12. All Other Lines								
Totals								

(Page 10, Col. 10)

(Page 4, Line 7)

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

SUMMARY
ALL LINES OF BUSINESS

Year In Which Losses Were Incurred	NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					(6) Difference Between Prior & Current Year	(7) Net Premiums Earned	(8) % Current Year Losses Incurred to Prem. Ernd.
	& Prior				(Current Year)			
& Prior								
(CY)								

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

AUTOMOBILE LIABILITY NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R.LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

AUTOMOBILE LIABILITY LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT

FOR THE PERIOD ENDING _____

COMPANY NAME _____

GENERAL & PRODUCT LIABILITY NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

GENERAL & PRODUCT LIABILITY LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

PROFESSIONAL LIABILITY NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				Current Year
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

PROFESSIONAL LIABILITY LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

OTHER LIABILITY NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

OTHER LIABILITY LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT

FOR THE PERIOD ENDING _____

COMPANY NAME _____

WORKERS' COMPENSATION NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
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COMPANY NAME _____

WORKERS' COMPENSATION LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT

FOR THE PERIOD ENDING _____

COMPANY NAME _____

ALL OTHER LINES NET LOSSES & LAE

Year In Which Losses Were Incurred	PAID LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	OUTSTANDING LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

Year In Which Losses Were Incurred	I.B.N.R. LOSSES AND LOSS ADJUSTMENT EXPENSES AT END OF YEAR				
	& Prior				(Current Year)
& Prior					
(CY)					

ARIZONA CAPTIVE INSURANCE COMPANY ANNUAL REPORT
FOR THE PERIOD ENDING _____
COMPANY NAME _____

ALL OTHER LINES LOSS DEVELOPMENT

Year In Which Losses Were Incurred	+ NET INCURRED LOSSES AND LOSS EXPENSE REPORTED AT END OF YEAR					Net Premiums Earned	% Current Year Losses Incurred To Premium Earned*
	& Prior				(Current Year)		
& Prior							
(CY)							

+Net of reinsurance recoverable

*Premiums earned to most current year incurred losses reported